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MICHIGAN LABOR MARKET REVIEW

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JOB SERVICE

Michigan Employment Security Commission

SEASONAL FACTORS LEAD TO INCREASED JOBLESSNESS

Unemployment in Michigan increased slightly over the last four months of 1984 as the jobless rate climbed from 9.8 percent in September to 10.6 percent in December. The rise in statewide joblessness was primarily the result of seasonal factors due to the onset of winter which traditionally contributes to additional job losses in the state. The December jobless rate represents 457,000 unemployed individuals, approximately 28,000 more than the September figure. Total employment over the four month period, registered a significant decline as the number of employed residents fell by 71,000 to reach 3,861,000. The drop in employment was a direct result of seasonal job losses in the manufacturing, agricultural and construction industries. Subsequently, the employment losses drove Michigan's civilian labor force down by 44,000 to finish the year at 4,318,000. Compared with a year ago, employment in the state has jumped by 150,000 while the size of the labor force has expanded by 106,000. In December 1983, the total number of persons out of work amounted to 501,000 representing an unemployment rate of 11.9 percent.

STATEWIDE EMPLOYMENT OPPORTUNITIES EXPAND

During the last four months of 1984, wage and salary employment in Michigan showed minor advances as total industry jobs closed the year at 3,355,800. Employment opportunities edged upward by approximately 14,500 as the majority of job gains were centered in the nonmanufacturing sector of the economy. Total manufacturing employment at 961,800, inched upward by 200 primarily as a result of minor gains and losses scattered throughout the entire sector. Private nonmanufacturing employment increased by 11,600 over the four month period as normal seasonal patterns increased hiring activities in the retail trade industry. Public sector payrolls climbed by 2,700 as federal and local gains offset state level losses. Since December 1983, industry employment in Michigan has jumped by 82,000 positions or 2.5 percent. Approximately 52,200 nonmanufacturing jobs have been added throughout the year, while the manufacturing sector regained 29,500 positions.

CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT ESTIMATES
DECEMBER 1984 (Final)

Area	Civilian Labor Force	Total Employment	Total Unemployment	Unemployment Rate
Michigan	4,318,000	3,861,000	457,000	10.6
Ann Arbor SMSA	150,100	141,200	8,900	5.9
Battle Creek SMSA	78,100	69,500	8,600	11.0
Bay City SMSA	52,100	44,500	7,600	14.6
Benton Harbor SMSA	70,700	61,600	9,100	12.9
Detroit SMSA	1,947,400	1,762,900	184,500	9.5
Flint SMSA	223,000	196,200	26,800	12.0
Grand Rapids SMSA	336,000	302,500	33,500	10.0
Jackson SMSA	63,300	56,300	7,000	11.1
Kalamazoo SMSA	138,600	125,700	12,900	9.3
Lansing SMSA	247,500	226,500	21,000	8.5
Muskegon SMSA	76,300	66,400	9,900	13.0
Saginaw SMSA	101,200	90,700	10,500	10.4
Upper Peninsula LMA	140,200	117,300	22,900	16.3

Civilian Labor Force, Employment, and Unemployment Estimates

State of Michigan

ITEM	DEC 1984	NOV 1984	OCT 1984	SEPT 1984
PLACE OF RESIDENCE				
Civilian Labor Force	4318.0	4371.0	4372.0	4362.0
Employment	3861.0	3904.0	3930.0	3932.0
Unemployment	457.0	468.0	442.0	429.0
Rate	10.6	10.7	10.1	9.8
PLACE OF WORK				
Wage and Salary Employment	3355.8	3350.4	3354.9	3341.3
Manufacturing	961.8	954.4	961.4	961.6
Durables	764.5	756.2	761.9	760.6
Lumber and Wood Products	11.4	11.5	11.7	11.7
Furniture and Fixtures	24.9	25.1	24.8	24.8
Metals	167.5	167.8	170.1	165.2
Primary Metals	52.6	53.0	52.9	49.4
Fabricated Metals	114.9	114.8	117.2	115.8
Nonelectrical Machinery	129.8	128.5	129.3	130.0
Electrical Machinery	30.8	32.0	31.9	32.6
Transportation Equipment	363.8	354.4	356.9	359.1
Motor Vehicles and Equip.	345.4	336.3	338.7	340.7
Other Transportation Equip.	18.4	18.1	18.2	18.4
Other Durables	36.3	36.9	37.2	37.2
Nondurables	197.3	198.2	199.5	201.0
Food and Kindred	45.0	46.8	48.0	48.5
Textiles and Apparel	20.9	20.2	20.0	20.5
Paper Products	20.2	20.1	20.3	20.2
Printing and Publishing	33.9	33.8	33.8	34.1
Chemicals and Petroleum	42.3	41.9	41.6	41.7
Other Nondurables	35.0	35.4	35.8	36.0
Nonmanufacturing	1819.5	1812.3	1810.9	1807.9
Construction	94.7	102.8	105.2	105.3
Trans., Commun., Utilities	136.9	137.1	138.3	137.8
Wholesale Trade	164.0	163.2	164.0	163.4
Retail Trade	585.0	572.4	563.4	561.1
Finance, Real Estate and Ins.	157.6	157.0	156.6	157.3
Services	672.8	670.9	674.5	673.8
Mining	8.5	8.9	8.9	9.2
Government	574.5	583.7	582.6	571.8
Federal	57.5	56.6	56.6	56.8
State	135.2	144.6	144.8	138.4
Local	381.8	382.5	381.2	376.6
Workers Involved In Labor Disputes	0.7	0.4	0.0	1.1

* Indicates a labor-management dispute in the industry.

Notes: Data expressed in thousands. Current month data are preliminary.

CIVILIAN LABOR FORCE data are based on the monthly Current Population Survey of the U.S. Bureau of Labor Statistics — 1983 Benchmark.

WAGE AND SALARY EMPLOYMENT is based on a monthly sample of employing establishments as part of the co-operative federal-state Current Employment Statistics program — March 1983 Benchmark.

CLAIMS ACTIVITY

Since September 1984, the number of individuals collecting regular unemployment benefits in Michigan steadily increased. The regular benefits claims load averaged 131,980 per week in December, approximately 36,120 more than the September figure. In December 1983, the number of claimants drawing benefits under the regular benefit program averaged 129,180.

Additionally, the number of persons collecting benefits under the Federal Supplemental Compensation (FSC) program fell by 920 or 5.1 percent during the same four month period. Total individuals collecting FSC benefits amounted to 17,160 per week for the month of December. The Extended Benefit (EB) program ended on May 21, 1983, thereby disqualifying claimants from collecting benefits under that program.

WEEKLY CLAIMS FOR UNEMPLOYMENT INSURANCE

Week Ending	Regular Program			Federal Supplemental Compensation		
	Total	Initial	Cont'd	Total	Initial	Cont'd
December 01, 1984	116,200	16,500	99,700	16,500	1,900	14,600
December 08, 1984	129,100	20,900	108,200	18,000	2,200	15,800
December 15, 1984	135,700	20,500	115,200	18,000	2,100	15,900
December 22, 1984	136,400	20,400	116,000	17,400	2,200	15,200
December 29, 1984	142,500	29,400	113,100	15,900	1,800	14,100

SLIGHT DECLINE IN DETROIT AREA PRICES

The Consumer Price Index for the Detroit metropolitan area inched downward by eight tenths of a percentage point during the last four months of 1984. The December index totaled 309.1 as reduced prices were evident throughout most of the product line. Prices in the area rose by 3.0 percent since December 1983, when the Consumer Price Index stood at 300.1.

At the national level, the cost of living jumped by three tenths of a percent to end the year at 315.5. The higher national prices were due to increased medical and housing costs. Between December 1983 and December 1984, national consumer prices rose by 4.0 percent. One year ago, the national index registered 303.5.

HOURS AND EARNINGS

The average workweek of Michigan's production workers in manufacturing industries jumped from 41.7 hours in November to 44.4 hours in December. The increase occurred primarily as a result of longer hours worked by individuals in the automotive industry.

During the month, average hourly earnings rose by twenty three cents to $12.71, while average weekly earnings climbed by $43.90 to total $564.32. In December 1983, earnings averaged $11.98 an hour or $524.35 per week for a 43.8 hour workweek.

MICHIGAN'S HOURS AND EARNINGS

Industry	Average Hourly Earnings a/			Average Weekly Hours a/			Average Weekly Earnings a/		
	Dec 1984	Nov 1984	Dec 1983	Dec 1984	Nov 1984	Dec 1983	Dec 1984	Nov 1984	Dec 1983
TOTAL MANUFACTURING	$12.71	$12.48	$11.98	44.4	41.7	43.8	$564.32	$520.42	$524.35
DURABLE GOODS	13.20	12.95	12.46	44.9	42.0	44.1	592.68	543.90	549.85
Primary Metal Products	12.03	11.87	12.04	40.7	38.9	42.4	489.62	461.74	511.16
Fabricated Metal Products	12.27	12.13	11.89	45.4	41.6	44.6	557.06	504.61	530.62
Nonelectrical Machinery	12.53	12.30	11.96	44.3	41.0	43.8	555.08	504.30	523.53
Electrical Machinery	11.13	10.99	10.33	43.3	40.2	42.8	481.93	441.80	442.22
Motor Vehicles & Equip.	14.96	14.67	13.86	46.4	43.5	45.0	694.14	638.14	623.83
NONDURABLE GOODS	10.60	10.60	10.10	42.2	40.8	42.3	447.32	432.48	426.98
Contract Construction	14.80	14.52	14.23	37.0	34.7	35.4	547.60	503.84	503.45
Department Stores	6.06	6.16	6.08	30.3	29.5	30.7	183.62	181.72	186.66

a/ *Average weekly and hourly earnings are computed from aggregates of individual establishment reports utilizing the total amount paid to production workers and total production hours. Average weekly and hourly earnings differ from weekly and hourly rates in that they are affected by overtime wage rates, part-time earnings, the length of the workweek, etc.*

Note: *Current month data are preliminary.*

Labor Surplus Areas Eligible for Federal Procurement Preference From October 1, 1984 through September 30, 1985

Eligible Labor Surplus Areas	Political Jurisdiction(s) Included
Alcona County	Alcona County
Alger County	Alger County
Allegan County	Allegan County
Alpena County	Alpena County
Antrim County	Antrim County
Arenac County	Arenac County
Baraga County	Baraga County
Barry County	Barry County
Battle Creek City	Battle Creek City in Calhoun County
Bay County	Bay County
Benzie County	Benzie County
Berrien County	Berrien County
Branch County	Branch County
Calhoun County, Balance of	Calhoun County, less Battle Creek City
Cass County	Cass County
Charlevoix County	Charlevoix County
Cheboygan County	Cheboygan County
Chippewa County	Chippewa County
Clare County	Clare County
Clinton County	Clinton County
Clinton Township	Clinton Township in Macomb County
Crawford County	Crawford County
Dearborn Heights City	Dearborn Heights City in Wayne County
Delta County	Delta County
Detroit City	Detroit City in Wayne County
Dickinson County	Dickinson County
Eaton County, Balance of	Eaton County less Lansing City
Emmet County	Emmet County
Farmington Hills City	Farmington Hills in Oakland County
Flint City	Flint City in Genesee County
Genessee County, Balance of	Genesee County less Flint City
Gladwin County	Gladwin County
Gogebic County	Gogebic County
Grand Rapids City	Grand Rapids City in Kent County
Grand Traverse County	Grand Traverse County
Gratiot County	Gratiot County
Hillsdale County	Hillsdale County
Houghton County	Houghton County
Huron County	Huron County
Ionia County	Ionia County
Iosco County	Iosco County
Iron County	Iron County
Jackson County	Jackson County
Kalamazoo City	Kalamazoo City in Kalamazoo County
Kalkaska County	Kalkaska County
Kent County, Balance of	Kent County, less Grand Rapids City and Wyoming City
Keweenaw County	Keweenaw County
Lake County	Lake County
Lansing City	Lansing City in Ingham and Eaton Counties
Lapeer County	Lapeer County
Leelanau County	Leelanau County
Lenawee County	Lenawee County
Livingston County	Livingston County
Luce County	Luce County
Mackinac County	Mackinac County
Macomb County, Balance of	Macomb County less Clinton Township, Roseville City, St. Clair Shores City, Sterling Heights City, Warren City
Manistee County	Manistee County
Marquette County	Marquette County
Mason County	Mason County
Mecosta County	Mecosta County
Menominee County	Menominee County
Midland County	Midland County
Missaukee County	Missaukee County
Monroe County	Monroe County
Montcalm County	Montcalm County
Montmorency County	Montmorency County
Muskegon County	Muskegon County
Newaygo County	Newaygo County
Oakland County, Balance of	Oakland County less Farmington Hills City Pontiac City, Royal Oak City, Southfield City, Troy City, Waterford Township
Oceana County	Oceana County
Ogemaw County	Ogemaw County
Ontonagon County	Ontonagon County
Osceola County	Osceola County
Oscoda County	Oscoda County
Otsego County	Otsego County
Pontiac City	Pontiac City in Oakland County
Presque Isle County	Presque Isle County
Roscommon County	Roscommon County
Roseville City	Roseville City in Macomb County
Royal Oak City	Royal Oak City in Oakland County
Saginaw City	Saginaw City in Saginaw County
Saginaw County, Balance of	Saginaw County less Saginaw City
St. Clair County	St. Clair County
St. Clair Shores City	St. Clair Shores City in Macomb County
St. Joseph County	St. Joseph County
Sanilac County	Sanilac County
Schoolcraft County	Schoolcraft County
Shiawassee County	Shiawassee County
Southfield City	Southfield City in Oakland County
Sterling Heights City	Sterling Heights City in Macomb County
Taylor City	Taylor City in Wayne County
Tuscola County	Tuscola County
Van Buren County	Van Buren County
Warren City	Warren City in Macomb County
Washtenaw County, Balance of	Washtenaw County less Ann Arbor City
Waterford Township	Waterford Township in Oakland County
Wayne County, Balance of	Wayne County less Dearborn City, Dearborn Heights City, Detroit City, Livonia City, Redford Township, Taylor City, Westland City
Westland City	Westland City in Wayne County
Wexford County	Wexford County
Wyoming City	Wyoming City in Kent County

Source: Michigan Employment Security Commission — Bureau of Research and Statistics

MICHIGAN EMPLOYMENT
SECURITY COMMISSION
7310 WOODWARD
DETROIT, MICHIGAN 48202

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